

Career Choices of MBA Graduates: To Start a business or Get a job?

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Abstract

This exploratory research examines the determinants of career decisions among Master of Business Administration (MBA) graduates, such as entrepreneurship or employment. A mixed-methods design was used, integrating survey research with in-depth interviews of 30 participants and a survey of 200 MBA graduates. The findings indicate that the choices of career of MBA graduates are determined by a variety of factors, such as demographic variables, psychological variables, environmental variables, personal variables, motivations, and environmental variables. The research also identifies salient differences in the motivations, expectations, and entrepreneurship and employment attitudes of MBA graduates. Policymakers, business schools, and industrialists can use the findings in order to maximize employment and entrepreneurship among MBA graduates. The research adds to entrepreneurship education and career decisions, providing new knowledge to the multifaceted determinants of MBA graduates' careers.

Keywords: MBA graduates, career goals, entrepreneurship, employment, drives, ambitions, perceptions

Introduction: In a dynamic economy, MBA students are often faced with a fundamental career choice—whether to enter the job market or establish their own venture. The decision can be influenced by multiple factors such as socio-economic background, personality traits, peer pressure, and institutional encouragement. This study attempts to decode the driving forces behind these decisions and the role institutions can play in encouraging well-informed career paths. Furthermore, the research investigates regional influences, gender dynamics, and student aspirations within the context of a developing country like India. Deep-diving into psychological aspects and institutional frameworks, this research intends to bridge the gap between academic training and real-world readiness.

Literature Review: The preference for stable employment among MBA students is widely documented. Sharma (2021) finds that job security, social status, and financial liabilities compel students to seek salaried roles. Gupta (2020) highlights that exposure to entrepreneurial success stories, incubation centers, and innovation labs boosts startup intentions. Kumar (2019) observed that students from business families showed higher inclination toward entrepreneurship, while others felt discouraged by fear of failure. Bhatia (2022) adds a gender perspective, showing that women face safety concerns and societal expectations. Mishra (2020) discusses rural entrepreneurship barriers such as lack of access to finance and mentorship. Singh (2021) underlines the value of role models and structured mentorship programs. Altogether, these studies highlight the need for institutional restructuring to nurture an entrepreneurial mindset.

Objectives of the Study:

1. To determine whether MBA students prefer entrepreneurship or employment.
2. To understand the psychological, social, and economic reasons behind their career choices.
3. To evaluate how institutional efforts affect career direction.
4. To explore how demographic variables (gender, background) impact decision-making.
5. To propose effective strategies for career guidance based on insights from the research.

Research Methodology:

- **Research Design:** Mixed-method exploratory research
- **Quantitative Data:** Google Form survey responses from 200 MBA students across multiple colleges in Maharashtra
- **Qualitative Data:** 30 in-depth interviews conducted with students who expressed entrepreneurial interest
- **Sampling Technique:** Convenience and purposive sampling
- **Data Analysis Tools:** Excel and SPSS used for statistical analysis, graphs, and thematic coding
- **Data Points Included:** Gender, location (urban/rural), family occupation, personal career goals, financial stability, perceived institutional support, psychological traits, motivational drivers

Results and Discussion:

1. Preference for Employment:

- 68% of respondents chose employment over entrepreneurship.
- Major reasons: need for stable income, educational loans, parental pressure, and lack of business experience.

2. Entrepreneurial Aspiration:

- 25% showed inclination toward entrepreneurship.
- Motivators: desire for independence, passion for innovation, continuation of family business, or lack of job satisfaction.

3. Urban vs. Rural Insight:

- Urban students were more exposed to entrepreneurial thinking due to access to internet, startup events, and peer influence.
- Rural students favored jobs due to risk aversion, family pressure, and limited exposure.
- Digital infrastructure gaps in rural areas restrict access to startup resources.

4. Gender Dynamics:

- Male students were slightly more inclined toward starting a business.
- Female students preferred jobs, citing safety, societal expectations, work-life balance, and fewer female role models.

5. **Institutional Role & Gaps:**

- 72% of students felt that their institution did not provide enough practical exposure to business activities.
- Only 18% had interacted with real entrepreneurs during their MBA.
- Institutions lack dedicated entrepreneurship cells, incubation support, or personalized mentoring.

6. **Psychological Readiness:**

- Entrepreneurs showed higher confidence, risk-taking behavior, and long-term vision.
- Job-oriented students valued consistency, income stability, and structured growth.
- Fear of failure, peer comparison, and imposter syndrome were more prominent among rural and female students.

Findings:

- Financial pressure and social conformity discourage entrepreneurship.
- Students from business families or financially stable backgrounds are more confident in starting ventures.
- Rural and female students face higher psychological and societal barriers.
- Institutions fall short in offering real-world exposure and entrepreneurial mentorship.
- A student's digital literacy and network strength play a pivotal role in shaping career goals.

Suggestions:

1. **Curriculum Enhancement:** Introduce mandatory courses on entrepreneurship, leadership, and financial management.
2. **Practical Exposure:** Organize field visits, startup exhibitions, business simulations, and internships with startups.
3. **Mentorship Programs:** Connect students with successful alumni and local entrepreneurs.
4. **Incentivize Innovation:** Provide seed funding opportunities, pitch competitions, and innovation grants.

5. **Career Counseling:** Personalized sessions to understand aptitude and guide accordingly.
6. **Special Focus Groups:** Programs focused on encouraging rural and female students for entrepreneurship.
7. **Digital Inclusion:** Ensure access to digital tools, startup platforms, and online incubators for all students.
8. **Awareness Drives:** Conduct workshops and sessions highlighting success stories from underrepresented regions.

Conclusion: MBA students are at a crossroads when it comes to career planning. The overwhelming preference for employment reveals the structural and emotional gaps that hinder entrepreneurial spirit. However, with the right support system, including practical exposure, mentorship, and access to funding, students can be empowered to choose the path best suited to their goals and potential. The study emphasizes the need for academic institutions to actively bridge the gap between business education and real-world entrepreneurial ecosystems. A multi-layered strategy involving curricular innovation, digital inclusion, and gender-responsive mentoring is essential to unlock the full career potential of MBA graduates.

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